

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY
NEWARK

In Re. Stephen J. Conte, Jr.

§
§
§
§

Case No. 18-29278

Debtor(s)

☐ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 07/31/2021

Petition Date: 09/28/2018

Months Pending: 35

Industry Classification: 0 0 0 0

Reporting Method: Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☒ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Jeffrey T. Testa

Signature of Responsible Party

08/26/2021

Date

Jeffrey T. Testa, Esq.

Printed Name of Responsible Party

McCarter & English, LLP

Four Gateway Center

100 Mulberry Street
Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name Stephen J. Conte, Jr.

Case No. 18-29278

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$681,953	
b. Total receipts (net of transfers between accounts)	\$550,000	\$1,389,969
c. Total disbursements (net of transfers between accounts)	\$250	\$158,265
d. Cash balance end of month (a+b-c)	\$1,231,703	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$250	\$158,265

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$0
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0
d. Total current assets	\$683,953
e. Total assets	\$801,453
f. Postpetition payables (excluding taxes)	\$0
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$0
k. Prepetition secured debt	\$2,587,165
l. Prepetition priority debt	\$1,643,162
m. Prepetition unsecured debt	\$52,100
n. Total liabilities (debt) (j+k+l+m)	\$4,282,427
o. Ending equity/net worth (e-n)	\$-3,480,975

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$0	
d. Selling expenses	\$0	
e. General and administrative expenses	\$0	
f. Other expenses	\$0	
g. Depreciation and/or amortization (not included in 4b)	\$0	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$0	\$0

Debtor's Name Stephen J. Conte, Jr.

Case No. 18-29278

Part 5: Professional Fees and Expenses

a.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$0	\$116,650	\$0	\$116,650	
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i	Norgaard, O'Boyle	Lead Counsel	\$0	\$79,213	\$0	\$79,213
	ii	Burke, Grgelja	Financial Professional	\$0	\$31,316	\$0	\$31,316
	iii	Archer & Greiner	Special Counsel	\$0	\$6,122	\$0	\$6,122

b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>		\$0	\$0	\$0	\$0	
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i			\$0	\$0	\$0	\$0
	ii			\$0	\$0	\$0	\$0

c.	All professional fees and expenses (debtor & committees)		\$0	\$116,650	\$0	\$116,650
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Part 6: Postpetition Taxes

	Current Month	Cumulative
a. Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b. Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c. Postpetition employer payroll taxes accrued	\$0	\$0
d. Postpetition employer payroll taxes paid	\$0	\$0
e. Postpetition property taxes paid	\$0	\$0
f. Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g. Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☒ No ☐ N/A ☐
- i. Do you have:
- Worker's compensation insurance? Yes ☐ No ☒
- If yes, are your premiums current? Yes ☐ No ☐ N/A ☒ (if no, see Instructions)
- Casualty/property insurance? Yes ☐ No ☒
- If yes, are your premiums current? Yes ☐ No ☐ N/A ☒ (if no, see Instructions)
- General liability insurance? Yes ☐ No ☒
- If yes, are your premiums current? Yes ☐ No ☐ N/A ☒ (if no, see Instructions)

Debtor's Name Stephen J. Conte, Jr.

Case No. 18-29278

- j. Has a plan of reorganization been filed with the court? Yes ☒ No ☐
- k. Has a disclosure statement been filed with the court? Yes ☒ No ☐
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Part 8: Individual Chapter 11 Debtors (Only)

- | | |
|--|---|
| a. Gross income (receipts) from salary and wages | \$550,000 |
| b. Gross income (receipts) from self-employment | \$0 |
| c. Gross income from all other sources | \$0 |
| d. Total income in the reporting period (a+b+c) | \$550,000 |
| e. Payroll deductions | \$0 |
| f. Self-employment related expenses | \$0 |
| g. Living expenses | \$0 |
| h. All other expenses | \$250 |
| i. Total expenses in the reporting period (e+f+g+h) | \$250 |
| j. Difference between total income and total expenses (d-i) | \$549,750 |
| k. List the total amount of all postpetition debts that are past due | \$0 |
| l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? | Yes <input type="radio"/> No <input checked="" type="radio"/> |
| m. If yes, have you made all Domestic Support Obligation payments? | Yes <input type="radio"/> No <input type="radio"/> N/A <input checked="" type="radio"/> |

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Jeffrey T. Testa

Signature of Responsible Party

Trustee

Title

Jeffrey T. Testa, Esq.

Printed Name of Responsible Party

08/26/2021

Date

Stephen J. Conte, Jr.
Cash Receipts & Disbursements
 As of July 31, 2021

2:23 PM
 08/17/21
 Accrual Basis

Type	Date	Num	Name	Memo	Clr	Split	Debit	Credit	Balance
Trust Account #9527 Deposit	07/22/2021		Vestibula Diagnostics	Deposit	X	Non-taxable tra...	550,000.00		214,917.00 764,917.00
Total Trust Account #9527							550,000.00	0.00	764,917.00
Trustee Account #5576 Check	07/22/2021	106	US Trustee Paymen...		X	US Trustee Fees		250.00	467,035.77 466,785.77
Total Trustee Account #5576							0.00	250.00	466,785.77
TOTAL							550,000.00	250.00	1,231,702.77

2:21 PM
08/17/21
Accrual Basis

Stephen J. Conte, Jr.
Balance Sheet
As of July 31, 2021

	Jul 31, 21
ASSETS	
Current Assets	
Checking/Savings	
Trust Account #9527	764,917.00
Trustee Account #5576	466,785.77
Total Checking/Savings	1,231,702.77
Other Current Assets	
Furs and Jewelry	1,000.00
Wearing Apparel	1,000.00
Total Other Current Assets	2,000.00
Total Current Assets	1,233,702.77
Fixed Assets	
Household Goods & Furnishings	5,500.00
Primary Residence	12,000.00
Total Fixed Assets	17,500.00
Other Assets	
Partnerships & Joint Ventures	100,000.00
Total Other Assets	100,000.00
TOTAL ASSETS	1,351,202.77
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Priority Claims	1,643,162.38
Secured Debt	2,587,165.32
Unsecured Debt	52,099.70
Total Long Term Liabilities	4,282,427.40
Total Liabilities	4,282,427.40
Equity	
Members Equity	-3,704,497.00
Net Income	773,272.37
Total Equity	-2,931,224.63
TOTAL LIABILITIES & EQUITY	1,351,202.77

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08/17/21

Accrual Basis

Stephen J. Conte, Jr.

Profit & Loss

July 2021

	Jul 21
Ordinary Income/Expense	
Income	
Non-taxable transfers	550,000.00
Total Income	550,000.00
Expense	
Professional Fees	
US Trustee Fees	250.00
Total Professional Fees	250.00
Total Expense	250.00
Net Ordinary Income	549,750.00
Net Income	549,750.00

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08/17/21

Stephen J. Conte, Jr.
Reconciliation Summary
Trustee Account #5576, Period Ending 07/31/2021

	<u>Jul 31, 21</u>
Beginning Balance	467,035.77
Cleared Transactions	
Checks and Payments - 1 item	<u>-250.00</u>
Total Cleared Transactions	<u>-250.00</u>
Cleared Balance	<u><u>466,785.77</u></u>
Register Balance as of 07/31/2021	466,785.77
Ending Balance	466,785.77

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08/17/21

Stephen J. Conte, Jr.
Reconciliation Summary
Trust Account #9527, Period Ending 07/31/2021

	<u>Jul 31, 21</u>
Beginning Balance	214,917.00
Cleared Transactions	
Deposits and Credits - 1 item	<u>550,000.00</u>
Total Cleared Transactions	<u>550,000.00</u>
Cleared Balance	<u>764,917.00</u>
Register Balance as of 07/31/2021	764,917.00
Ending Balance	764,917.00



Metropolitan Commercial Bank
99 Park Avenue
New York NY 10016
<http://www.metropolitanbankny.com>

Member
FDIC

Period Covered:
July 01, 2021 - July 31, 2021
Page 1 of 4

Jeffrey T. Testa
Gateway Four
100 Mulberry Street
Newark NJ 07102

Case Number
Case Name
Trustee Number
Trustee Name

18-29278 (JKS)
Stephen J. Conte, Jr.
500830
Jeffrey T. Testa
FIDUCIARY

Questions:
800.634.7734
banking.services@stretto.com
www.stretto.com

Consolidated Balance Summary

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account			
TRUSTEE CHECKING	3910195776	\$467,035.77	\$466,785.77
TRUSTEE CHECKING	3910329527	\$214,917.00	\$764,917.00
Total		\$681,952.77	\$1,231,702.77

TRUSTEE CHECKING

Account Number: 3910195776

Enclosures	1	Beginning Balance	\$467,035.77
		+Total Additions	\$0.00
		-Total Subtractions	\$250.00
		Ending Balance	\$466,785.77

* Indicates a Skip in Check Number(s)
"E" Indicate an Electronic Check

Checks

Check #	Date	Amount
106	07-30	\$250.00

Daily Balances

Date	Amount	Date	Amount	Date	Amount
07-30	\$466,785.77				

TRUSTEE CHECKING

Account Number: 3910329527

Enclosures	0	Beginning Balance	\$214,917.00
		+Total Additions	\$550,000.00
		-Total Subtractions	\$0.00
		Ending Balance	\$764,917.00

* Indicates a Skip in Check Number(s)
"E" Indicate an Electronic Check

Credits

Date	Description	Additions
07-19	WIRE FROM VESTIBULA DIAGNOSTICS P	\$550,000.00



Metropolitan Commercial Bank
99 Park Avenue
New York NY 10018
<http://www.metropolitanbankny.com>

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Period Covered:
July 01, 2021 - July 31, 2021
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Daily Balances

Date	Amount	Date	Amount	Date	Amount
07-19	\$764,917.00				



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99 Park Avenue
New York NY 10016
<http://www.metropolitanbankny.com>



Period Covered:
July 01, 2021 - July 31, 2021
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Metropolitan Commercial Bank
New York, NY
Please Call 800-475-6100 for Branching

VOID AFTER 90 DAYS

Pay to the order of: J. Chen, D. (115-53175) (CICG)
Aug. No. 1111111111, Quoted 1, 2021

Amount: \$ 250.00

Pay to the order of: U.S. TRUSTEE PAYMENT CENTER
PO BOX 6255 OF
PORTLAND OR 97111-4255

07/30/2021 106 \$250.00

VOID AFTER 90 DAYS

07/30/2021 106 \$250.00



Metropolitan Commercial Bank
99 Park Avenue
New York NY 10016
<http://www.metropolitanbankny.com>

Member
FDIC

Period Covered:
July 01, 2021 - July 31, 2021
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In case of errors or questions about your account telephone Stretto at: 800.634.7734 or email us at: banking.services@stretto.com
As soon as you recognize an error, or if you need more information about a transaction listed on the statement or receipt:

Please Provide:

- Name and account number.
- A detailed explanation of why you believe there is an error or why you need more information.
- The dollar amount of the suspected error.
- We must hear from you no later than 60 days after we sent you the FIRST statement on which the error appeared.

We will investigate your disputed transactions and correct any error promptly. If not resolved within 10 business days, Metropolitan Commercial Bank will credit your account for the amount in error, and notify you within 2 business days, so that you may use the funds during the time it takes us to complete our investigation.